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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/871,716	06/01/2001	Brian M. Siegel	SONY-95	1430

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EXAMINER

POND, ROBERT M

ART UNIT	PAPER NUMBER
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3625

DATE MAILED: 09/22/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No. 09/871,716	Applicant(s) SIEGEL ET AL.	
	Examiner Robert M. Pond	Art Unit 3625	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 17 April 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-18 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-18 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Response to Appeal

Reopening of Prosecution After Appeal Brief or Reply Brief

In view of the appeal brief filed on 11 August 2005, PROSECUTION IS
HEREBY REOPENED. New grounds of rejection are set forth below.

To avoid abandonment of the application, appellant must exercise one of the
following two options:

- (1) file a reply under 37 CFR 1.111 (if this Office action is non-final) or a
reply under 37 CFR 1.113 (if this Office action is final); or,
- (2) initiate a new appeal by filing a notice of appeal under 37 CFR 41.31
followed by an appeal brief under 37 CFR 41.37. The previously paid
notice of appeal fee and appeal brief fee can be applied to the new
appeal. If, however, the appeal fees set forth in 37 CFR 41.20 have been
increased since they were previously paid, then appellant must pay the
difference between the increased fees and the amount previously paid.

A Supervisory Patent Examiner (SPE) has approved reopening prosecution
by signing below.

Priority

Applicant's claim for priority under 35 USC 119(e) does not include subject matter pertaining to the following claimed subject matter:

- Claim 10: subordinate person
- Claims 10, 17, and 18: controlled customer profile
- Claim 10: preventing authorization
- Claims 10-17: transaction limitation
- Claim 13: excluded merchant
- Claim 14: included merchant
- Claim 15: excluded product
- Claim 16: included product
- Claim 17: locking and unlocking controlled customer profile
- Claim 18: encryption key and

Response to Amendment

Applicant's arguments with respect to claims 1-18 have been considered but are moot in view of the new ground(s) of rejection.

Claim Rejections - 35 USC § 102

The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

1. Claims 1, 5-7, and 9 are rejected under 35 USC 102(e) as being anticipated by Hohle (US 6,199,762).

Hohle teaches all the limitations of claims 1, 4-7, and 9. For example, Hohle discloses a system and method of synchronizing smartcard data in the context of a distributed transaction system wherein the smartcard is used to facilitate a transaction between a merchant and a customer. Hohle discloses structures and methods to ensure data stored in the smartcard is synchronized with corresponding information stored in on or more external databases (see at least abstract; col. 1, lines 1-10; col. 1, lines 58-67, col. 2, lines 1-59). Hohle discloses a transaction referring, generally, to any message communicated over the system for effecting a particular goal, for example, debit/charge authorization, preference changes, reservation requests, ticket requests, and the like (see at least col. 5, lines 25-30). Hohle further discloses claim 1:

- electronically storing a customer profile on the customer data storage device: Customer update transaction database 504 is used to store information which has been updated on a smartcard (120), but which has not yet propagated to the various databases and networks that require updating. For example, a smartcard 120 may be used to change

cardholder preferences in the course of a transaction with a particular enterprise (see at least Fig. 1; Fig. 5; col. 7, lines 61-66).

- as part of a transaction, physically presenting the customer data storage device at a merchant location; customer uses smartcard at system access points which at least include airline ticketing and gate areas, car rental facilities, hotel lobbies, travel agencies, and mall (i.e. merchants' location) (see at least col. 4, lines 8-27). Please note: physical presence of customer's smartcard is required at mall or car rental facilities.
- electronically communicating the customer profile from the customer data storage device to the merchant in conjunction with the transaction; as noted above it is established that a customer uses the smartcard to conduct a business transaction with an enterprise.
- and electronically storing a record of the transaction on the customer data storage device. Customer performs a transaction and smartcard files are updated within the smartcard (see at least col. 13, line 64 through col. 14, line 4; col. 15, lines 37-40).
- pertaining to claim 5: smartcard is a portable electronic device having memory and a communication link; data is written into the memory; interfaces with smartcard (see at least col. 1, lines 15-38; col. 2, lines 45-49).

- *pertaining to claim 6*: stored profile information includes at least one of a group name, address, and identification number (e.g. account number) (see at least col. 3, lines 57-67; col. 11, line 22 through col. 13, line 3).
- *pertaining to claim 7*: reads a transaction record on the smartcard and reports the transaction record; updating and synchronizing by the system (see at least col. 3, lines 24-40; col. 6, line 25 through col. 8, line 50).
- *pertaining to claim 9*: remotely maintains customer profile and transaction records and synchronizes transaction records (see at least title; abstract; Fig. 1; Fig. 7 (706, 708, 712, 714); Fig. 8 (810); col. 1, lines 5-11; col. 2, lines 33-52; col. 6, line 25 through col. 7, line 40; col. 13, lines 10 through col. 14, line 34).

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. Claims 2 and 3 are rejected under 35 USC 103(a) as being unpatentable over Hohle (US 6,199,762) in view of Friedes (US 5,521,966).

Hohle teaches all the above as noted under the 102(e) rejection and teaches a) a consumer using a smartcard to conduct transactions with business for services (e.g. car rental services, travel agency services), b) storing transaction data and customer profile data in a smart card, and c) communicating with the source for services, but does not specifically disclose communicating information for product registration. Friedes teaches a system and method for mediating transactions that use portable smartcards. Friedes teaches a travel agency example whereby a traveler can obtain reservations and complete transaction using a smartcard, and further teaches a single smartcard supporting applications including automobile or product registrations, license registrations, social security benefits registrations or magazine subscription renewals (see at least paragraph 20 in the detail description section). Therefore it would have been obvious to one of ordinary skill in the art at a time of the invention to modify the system and method of Hohle to use a smartcard for product registrations as

taught by Friedes, in order to provide additional services for consumers and thereby increase consumer use of the service.

3. Claim 4 is rejected under 35 USC 103(a) as being unpatentable over Hohle (US 6,199,762) in view of Smartcards (PTO-892, Item: U).

Hohle teaches all the above as noted under the 102(e) rejection and teaches a) using smartcard computer memory to store transaction and profile information, b) multi-function smartcards, and c) magnetic-stripe and stored value cards, but doesn't disclose the smartcard with magnetic memory. Smartcards teaches smartcards as having technological superiority over the low-tech magnetic or magnetic stripe cards used as ATM cards, debit cards, phone cards, and credit cards. Smartcards teaches magnetic stripe technology using a reader to connect online with a computer mainframe or server that stores the relevant information (please note: Picciallo's implementation). Smartcards teaches smartcards containing a computer chip wherein information is stored and changed directly on the card with advance versions being programmable. Smartcards teaches card makers putting both magnetic stripes and computers chips on cards (i.e. same card) to reduce consumer confusion (U: see pages 1 and 2). Therefore it would have been obvious to one of ordinary skill in the art at time of the invention to modify Hohle to disclose magnetic stripe smartcards as taught by Smartcards, in order to disclose additional types of memory that can be used to store data in a smartcard.

4. Claim 8 is rejected under 35 USC 103(a) as being unpatentable over Hohle (US 6,199,762) in view of Suzuki (US 6,129,274).

Hohle teaches all the above as noted under the 102(e) rejection and teaches a consumer using a smartcard to conduct commerce transactions and storing transaction information and consumer preference information on the smartcard, but does not disclose analyzing the plurality of transaction records for a pattern of customer preferences and recommending a future transaction based on the pattern of customer preference. Suzuki teaches consumers using smartcards and further teaches a customer assistance terminal processing a customer's transaction history information to thereby develop a promotional item recommendation based on a customer's recent transactions, such as replenishment item recommendations and recommendations for particular coordinated items that match an item recently purchased (please note: a recommendation for a future purchase). In addition, the customer assistance terminal is able to determine that a particular customer has not made any purchases of items falling within particular categories and is able to generate a promotional item message directed to that customer in order to remedy the deficiency (see at least col. 5, lines 8-18). Therefore it would have been obvious to one of ordinary skill in the art at time of the invention to modify the system and method of Hohle to provide a future product recommendation facilitated by data

in a user's smartcard as taught by Suzuki, in order to increase sales for the service by providing a customer convenience.

5. Claims 10-18 are rejected under 35 USC 103(a) as being unpatentable over Hohle (US 6,199,762) in view of Picciallo (US 6,044,360) as taught by Smartcards (PTO-892, Item: U).

Hohle teaches a system and method of synchronizing smartcard data in the context of a distributed transaction system wherein the smartcard is used to facilitate a transaction between a merchant and a customer. Hohle teaches structures and methods to ensure data stored in the smartcard is synchronized with corresponding information stored in on or more external (see at least abstract; col. 1, lines 1-10; col. 1, lines 58-67, col. 2, lines 1-59). Hohle teaches a transaction referring, generally, to any message communicated over the system for effecting a particular goal, for example, debit/charge authorization, preference changes, reservation requests, ticket requests, and the like (see at least col. 5, lines 25-30). Hohle further teaches pertaining to claim 10:

- Providing a subordinate person with physical possession of a customer data storage device; customer uses smartcard at system access points which at least include airline ticketing and gate areas, car rental facilities, hotel lobbies, travel agencies, and mall (i.e. merchants' location) (see at least col. 4, lines 8-27); business hosting and access point to streamline their employees' business travel (please note: employees are subordinate

to the business and physically possess the smartcard)(see at least col. 4, lines 22-27).

- electronically storing a customer profile on the customer data storage device: Customer update transaction database 504 is used to store information which has been updated on a smartcard (120), but which has not yet propagated to the various databases and networks that require updating. For example, a smartcard 120 may be used to change cardholder preferences in the course of a transaction with a particular enterprise (see at least col. 7, lines 61-66).
- Additional features include:
 - smartcard is a portable electronic device having memory and a communication link; data is written into the memory; interfaces with smartcard (see at least col. 1, lines 15-38; col. 2, lines 45-49).
 - stored profile information includes at least one of a group name, address, and identification number (e.g. account number) (see at least col. 3, lines 57-67; col. 11, line 22 through col. 13, line 3).
 - reads a transaction record on the smartcard and reports the transaction record; updating and synchronizing by the system (see at least col. 3, lines 24-40; col. 6, line 25 through col. 8, line 50).
 - remotely maintains customer profile and transaction records and synchronizes transaction records (see at least title; abstract; Fig. 1; Fig. 7 (706, 708, 712, 714); Fig. 8 (810); col. 1, lines 5-11; col. 2,

lines 33-52; col. 6, line 25 through col. 7, line 40; col. 13, lines 10 through col. 14, line 34).

- access to smartcard applications (i.e. writing, updating, and reading files are restricted to particular parties in accordance with access condition rules; access conditions use cryptographic keys (see at least abstract; col. 2, lines 9-26).

Hohle teaches all the above as noted under the 103(a) rejection and further teaches a) multi-function cards as being configured to support credit, debit, stored value, loyalty, and a number of other applications within a single card (see at least col. 1, lines 22-25), b) a smartcard access point (i.e. reader) being an ATM machine, and c) a subordinate person (i.e. employee is subordinate to the business providing a smartcard access point). Hohle, however, does not specifically disclose preventing authorization of a purchase transaction based on a transaction limitation. Picciallo teaches a system and method in which account holders may transfer funds from pre-established accounts to third-party recipients and set limits on the goods or services for which the funds are spent, or on the amounts which may be spent for certain goods or services (i.e. financial credit identifier associated with third-party recipient) (see at least col. 2, lines 23-29). Picciallo teaches using an account password and account holder setting limits on a subordinate user's account profile and teaches an example whereby the account holder sets limit of \$0 to block a transaction (i.e. parent controls account

profile). Please note that by this example an account holder can set it to an amount greater than \$0 to permit a transaction of a subordinate person (see at least col. 8, lines 7-28; col. 9, lines 41-50; col. 10, line 65 through col. 11, line 12). Picciallo teaches the third-party being issued a magnetic card that the third-party can use to withdraw funds as cash from an ATM machine, or pay for point-of-sale purchases for goods and services by electronic fund transfer (i.e. physical possession) (see at least col. 3, lines 14-34). Picciallo teaches parents making allowance payments to a son or a daughter (i.e. subordinate persons to their parents have physical possession of a customer data storage device) using the system and limiting the amount of the payment that may be withdrawn from ATM machines as cash (i.e. using the issued card). And, because banking and credit card institutions have already created an identification system with electronic fund transfer networks categorizing payees by the types of goods or services they provide, limits can be placed on the amount that is spent in restaurants daily, weekly or monthly using a debit card, and spending in pubs or taverns could be prohibited entirely (i.e. preventing authorization of the purchase transaction based on the transaction limitation; pub is excluded merchant; pub products are excluded from purchase). When ATM cash withdrawals are also blocked, spending of an allowance budget on alcohol or tobacco may be effectively blocked by a parent (i.e. excluded products). At the same time, unlimited spending could be permitted, for example, at computer software stores, or at a college book store (i.e. book store or computer software stores are

included merchants; computer software store products and college book store products are included products) (see at least col. 3, lines 35-54). Therefore it would have been obvious to one of ordinary skill in the art at time of the invention to modify the system and method of Hohle to implement a credit identifier of a subordinate person and place purchase transaction limitations on a subordinate person in physical possession of a customer data storage device pertaining to included and excluded merchants and products as taught by Picciallo, in order to limit how much can be spent or restrict types of products purchased by the subordinate person using an ATM or debit card, and thereby attract businesses or parents to the service who desire to manage subordinate persons' spending.

Hohle and Piccallo teach all the above as noted under the 103(a) rejection and teach a) maintaining a customer profile in a customer data storage device and in remote external databases synchronized and managed by the system of Hohle, b) a customer data storage device as a magnetic card, c) a multi-function smartcard used to support credit, debit, stored value, and loyalty information, and d) limiting purchase transaction on a subordinate person in physical possession of a customer data storage device communicating with a point-of-sale card reader in communication with the system. Hohle and Picciallo, however, do not disclose the transaction limitation being electronically communicated from the customer data storage device to the merchant. Smartcards teaches smartcards as having technological superiority over the low-tech magnetic or magnetic stripe cards used as ATM cards, debit cards, phone cards, and credit cards.

Smartcards teaches magnetic stripe technology using a reader to connect online with a computer mainframe or server that stores the relevant information.

Smartcards teaches smartcards containing a computer chip wherein information is stored and changed directly on the card with advanced versions being programmable. Smartcards teaches card makers putting both magnetic stripes and computers chips on cards (i.e. same card) to reduce consumer confusion.

Smartcards teaches the smartcard as a multi-function card that can function as a credit card, a debit card, an ATM card, a library card, a phone card, a frequent-flier travel tracker and a car key, and further teaches using the multi-function card to buy coffee from a café, buy food from a stadium vendor, pay a highway toll, or feed a parking meter (U: see pages 1 and 2). Therefore it would have been obvious to one of ordinary skill in the art at time of the invention to combine the smartcard features and functionality of Hohle as noted above with the ATM and debit card features of Picciallo into a single multi-function smartcard that stores and communicates ATM account information from the smartcard as taught by Smartcards, in order to convey the same credit and purchase limitations on subordinate persons using the multi-function smartcard, and thereby attract businesses or parents to the service who desire to manage subordinate persons' spending using smartcards.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure:

- US 6,343,279 (Bissonette et al) 29 January 2002; teaches a system and method of managing financial accounts used by a subordinate person.
- US 5,526,428 (Arnold) 11 June 1996; teaches activating and accessing a supervisor profile on a user's IC card.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Robert M. Pond whose telephone number is 571-272-6760. The examiner can normally be reached on 8:30AM-5:30PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Mr. Jeffrey A. Smith can be reached on 571-272-6763. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

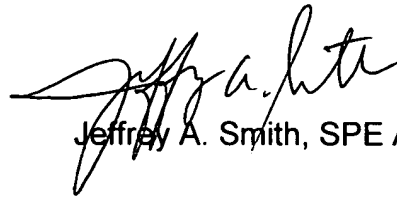
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Art Unit: 3625

system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.



Robert M. Pond
Primary Examiner
September 6, 2006



Jeffrey A. Smith, SPE AU3526

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